

**HEALTH POLICY COMMISSION
NOTICE OF MATERIAL CHANGE FORM**

**Health Policy Commission
Two Boylston Street
6th Floor
Boston, MA 02116**

GENERAL INSTRUCTIONS

The attached form should be used by a provider or provider organization to provide a notice of material change (“Notice”) to the Health Policy Commission (“Commission”), as required under § 13 of M.G.L. c. 6D. To complete the Notice, it is necessary to read and comply with Bulletin 2013-1 issued by the Commission, **Interim Guidance for Providers and Provider Organizations Relative to Notice of Material Change to the Health Policy Commission (“Interim Guidance”)**. The Interim Guidance may be obtained on the Commission’s website at www.mass.gov/hpc. For further assistance, please contact the Health Policy Commission at HPC-Notice@state.ma.us. This form is subject to statutory and regulatory changes that may take place from time to time.

WHO NEEDS TO FILE

This Notice should be submitted by any provider or provider organization with \$25,000,000 in net patient service revenue or more in the preceding fiscal year that is proposing a material change, as defined by the Interim Guidance. Notice must be filed with the Commission not less than 60 days before the effective date of the proposed change.

SUBMISSION OF NOTICE

One electronic copy of the Notice, in a portable document form (pdf), should be submitted to the following:

Health Policy Commission
HPC-Notice@state.ma.us

Office of the Attorney General
HCD-6D-NOTICE@state.ma.us

Center for Health Information and Analysis
CHIA-Legal@state.ma.us

PRELIMINARY REVIEW AND NOTICE OF COST AND MARKET IMPACT REVIEW

If the information provided in the Notice is incomplete or if the Commission determines clarification of the information submitted is needed to make its decision, the Commission may require the notifying organization to submit such supplemental information within 30 days of receipt of the initial Notice.

The Commission will notify each notifying organization of its decision to proceed with a cost and market impact review within 30 days of its receipt of a completed Notice and all necessary supplemental information.

PUBLIC DISCLOSURE

Pursuant to Bulletin 2013-1 issued by the Commission, all information collected by the Commission in connection with a Notice shall be deemed to be a public record.

NOTICE OF MATERIAL CHANGE

Date of Notice: **September 20, 2013**

1.	Name:	FS Commonwealth LLC d/b/a New England Rehabilitation Hospital
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2.	Federal TAX ID #	MA DPH Facility ID #	NPI #
	20-5108564	2329	1568688950

Contact Information						
3.	Business Address 1:	2 Rehabilitation Way				
4.	Business Address 2:					
5.	City:	Woburn	State:	Massachusetts	Zip Code:	01801
5.	Business Website:	http://www.gettingbacktolife.com/				
7.	Contact First Name:	Alyssa	Contact Last Name:	Minsky		
8.	Title:	Associate General Counsel Five Star Quality Care, Inc.				
9.	Contact Phone:	(617) 796-8288	Extension:	N/A		
10.	Contact Email:	aminsky@5sqc.com; licensing@5sqc.com				

Description of Organization	
11.	<p><i>Briefly</i> describe your organization.</p> <p>FS Commonwealth LLC (“FSC”) does business as and operates the non-acute care hospital known as New England Rehabilitation Hospital in Woburn, Massachusetts (“New England Hospital”). FSC is a Maryland limited liability company and indirect, wholly-owned subsidiary of Five Star Quality Care, Inc. (“Five Star”), a Maryland corporation. FSC is governed by a two-person board of directors, the members of which are selected by FSQ, Inc., the sole member of FSC, which is a direct, wholly-owned subsidiary of Five Star. FSC leases the real property associated with New England Hospital and each of its satellite facilities. New England Hospital is currently licensed by the Massachusetts Department of Public Health (“DPH”) for ambulatory care services and rehabilitation services to operate a total of 210 rehabilitation beds. New England Hospital has 168 rehabilitation beds at its main campus, 2 Rehabilitation Way, Woburn, Massachusetts. New England Hospital also has two hospital inpatient satellite facilities: New England Rehabilitation Hospital at the Hunt Center in Danvers, which has 20 rehabilitation beds, and New England Rehabilitation Hospital at Lowell, which has 22 rehabilitation beds. New England Hospital provides a full-range of inpatient services for patients whose function has been impaired by injury or illness. Inpatient rehabilitation programs focus on amputees, acquired brain injuries, cardiac issues, medically complex problems, major multiple traumas, Multiple Sclerosis, neurologic disorders, orthopedics, Parkinson’s Disease and other movement disorders, pulmonary disease, spinal cord injuries and strokes. In addition, New England Hospital has two hospital outpatient satellite facilities in Billerica and Framingham where it provides comprehensive outpatient services including adult and pediatric rehabilitation and wellness programs. The Hospital is accredited by the Joint Commission (2011-2014) and holds Joint Commission Certificates of Distinction for the following services: traumatic brain injury rehabilitation and stroke rehabilitation.</p>

Type of Material Change			
12.	Check the box that most accurately describes the proposed material change:		
	<input type="checkbox"/> Merger or affiliation with a carrier <input type="checkbox"/> Acquisition of or acquisition by a carrier <input checked="" type="checkbox"/> Merger with or acquisition of or by a hospital or a hospital system <input type="checkbox"/> Any other acquisition, merger, or affiliation between a provider organization and another provider organization where such acquisition, merger, or affiliation would result in an increase in annual net patient service revenue of the provider or provider organization of more than \$10,000,000 <input type="checkbox"/> Any clinical affiliation between a provider or provider organization with another provider or provider organization which itself has an annual net patient service revenue of more than \$25,000,000 <input type="checkbox"/> Formation of a partnership, joint venture, common entity, accountable care organization, or parent corporation created for the purpose of contracting on behalf of more than one provider or provider organizations		
13.	<table border="1"> <tr> <td>What is the proposed effective date of the proposed material change?</td> <td>Promptly following receipt of all required approvals.</td> </tr> </table>	What is the proposed effective date of the proposed material change?	Promptly following receipt of all required approvals.
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Material Change Narrative	
14.	<i>Briefly</i> describe the nature and objectives of the proposed material change:
	The proposed material change will result in Reliant Rehabilitation Hospital New England, LLC (“Reliant-New England”), a Delaware limited liability company, acquiring New England Hospital and its satellite locations by way of an asset purchase and assumption of leases from FSC, following which Reliant-New England will operate New England Hospital and its satellites. Reliant-New England is a wholly-owned subsidiary of Reliant Hospital Partners, LLC, a Delaware limited liability company that, through its subsidiaries, as of the date of this Notice, owns and manages rehabilitation hospitals in a number of states, including Texas and Ohio.
15.	<i>Briefly</i> describe the anticipated impact of the proposed material change:
	FSC does not anticipate any impact of the proposed material change.

Development of the Material Change	
16.	Describe any other material changes you anticipate making in the next 12 months:
	None.
17.	Indicate the date and nature of any applications, forms, notices or other materials you have submitted regarding the proposed material change to any other state or federal agency:
	In connection with the material change, FSC will file, on or about the date of this Notice, a notice of termination of MassHealth provider agreement with the Office of Medicaid Division of Medical Assistance (MassHealth); Form CMS-855A; Form CMS-855B; notice under the Clinical Laboratory Improvement Amendments (CLIA) with the Centers for Medicare & Medicaid Services; notice with the United States Department of Justice, Drug Enforcement Administration; and notifications with DPH Division of Food and Drugs and DPH Radiation Control Program.

Affidavit of Truthfulness and Proper Submission

I, the undersigned, certify that:

1. I have read the Health Policy Commission Bulletin 2013-1, Interim Guidance for Providers and Provider Organizations Relative to Notice of Material Change to the Health Policy Commission.
2. I have read this Notice of Material Change and the information contained therein is accurate and true.
3. I have submitted the required copies of this Notice to the Health Policy Commission and to all relevant agencies (see below*) as required.

Signed on the 20th day of September, 2013, under the pains and penalties of perjury.

Signature: _____

Name: Bruce J. Mackey Jr.

Title: President and Chief Executive Officer

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:



Kathleen M. Uberti
Notary Signature



Copies of this application have been submitted electronically as follows:

Office of the Attorney General (1)

Center for Health Information and Analysis (1)

EXPLANATIONS AND DEFINITIONS

1.	Name	Legal business name as reported with Internal Revenue Service. This may be the parent organization or local provider organization name.
2.	Federal TAX ID #	9-digit federal tax identification number also known as an employer identification number (EIN) assigned by the internal revenue service.
	MA DPH Facility ID #	If applicable, Massachusetts Department of Public Health Facility Identification Number.
	National Provider Identification Number (NPI)	10-digit National Provider identification number issued by the Centers for Medicare and Medicaid Services (CMS). This element pertains to the organization or entity directly providing service.
3.	Business Address 1:	Address location/site of applicant
4.	Business Address 2:	Address location/site of applicant continued often used to capture suite number, etc.
5.	City, State, Zip Code	Indicate the City, State, and Zip Code for the provider organization as defined by the US Postal Service.
6.	Business Website:	Business website URL
7.	Contact Last Name, First Name	Last name and First Name of the primary administrator completing the registration form.
8.	Title:	Professional title of the administrator completing the registration form.
9.	Contact Telephone and Extension	10-digit telephone number and telephone extension (if applicable) for administrator completing the registration form
10.	Contact Email:	Contact email for administrator
11.	Description of Organization:	Provide a brief description of the notifying organization's ownership, governance, and operational structure, including but not limited to provider type (acute hospital, physician group, skilled nursing facilities, independent practice organization, etc.), number of licensed beds, ownership type (corporation, partnership, limited liability corporation, etc.), service lines and service area(s).
12.	Type of Material Change	Indicate the nature of the proposed material change. <i>Definitions of terms:</i> "Carrier", an insurer licensed or otherwise authorized to transact accident or health insurance under chapter 175; a nonprofit hospital service corporation organized under chapter 176A; a nonprofit medical service corporation organized under chapter 176B; a health maintenance organization organized under chapter 176G; and an organization entering into a preferred provider arrangement under chapter 176I; provided that this shall not include an employer purchasing coverage or acting on behalf of its employees or the employees of 1 or more subsidiaries or affiliated corporations of the

		<p>employer; provided that, unless otherwise noted, the term “carrier” shall not include any entity to the extent it offers a policy, certificate or contract that provides coverage solely for dental care services or visions care services.</p> <p>“Hospital”, any hospital licensed under section 51 of chapter 111, the teaching hospital of the University of Massachusetts Medical School and any psychiatric facility licensed under section 19 of chapter 19.</p> <p>“Hospital System”, a group of affiliated entities that includes one or more Hospitals that are overseen by a common entity or parent corporation.</p> <p>“Net patient service revenue”, total revenue received for patient care from any third party payer net of any contractual adjustments.</p> <p>“Provider”, any person, corporation, partnership, governmental unit, state institution or any other entity qualified under the laws of the commonwealth to perform or provide health care services.</p> <p>“Provider organization”, any corporation, partnership, business trust, association or organized group of persons, which is in the business of health care delivery or management, whether incorporated or not that represents 1 or more health care providers in contracting with carriers for the payments of health care services; provided, that “provider organization” shall include, but not be limited to, physician organizations, physician-hospital organizations, independent practice associations, provider networks, accountable care organizations and any other organization that contracts with carriers for payment for health care services.</p>
13.	Proposed Effective Date of the Proposed Material Change	Indicate the effective date of the proposed material change. NOTE: The effective date may not be less than 60 days from the date of the application notice.
14.	Description of the Proposed Material Change	Provide a brief narrative describing the nature and objectives of the proposed material change. Include organizational charts and other supporting materials as necessary to illustrate the proposed change in ownership, governance or operational structure.
15.	Impact of the Proposed Material Change	<p>Provide a brief description of any analysis conducted by the notifying organization as to the anticipated impact of the proposed material change including, but not limited to, the following factors, as applicable:</p> <ul style="list-style-type: none"> • Costs • Prices, including prices of the provider or provider organization involved in the proposed merger, acquisition, affiliation or other proposed material change • Utilization • Health status adjusted total medical expenses

		<ul style="list-style-type: none"> • Market Share • Referral Patterns • Payer Mix • Service Area(s) • Service Line(s) • Service Mix
16.	Future Planned Material Changes	Provide a brief description of the nature, scope and dates of any pending or planned material changes to ownership, governance, or operations within the 12 months following the date of the notice.
17.	Submission to Other State or Federal Agencies	Indicate the date and nature of any other applications, forms, notices or other materials provided to other state for federal agencies relative to the proposed material change, including but not limited to the Department of Public Health (e.g., Determination of Need Application, Notice of Intent to Acquire, Change in Licensure), Massachusetts Attorney General (e.g., notice pursuant to G.L. c. 180, §8A(c)), U.S. Department of Health and Human Services (e.g., Pioneer ACO or Medicare Shared Savings Program application) and Federal Trade Commission/Department of Justice (e.g., Notification and Report Form pursuant to 15 U.S.C. sec. 18a).